GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4772
ANSWERED ON:25.04.2008
IMPORT DUTY ON EDIBLE OILS
Krishnadas Shri N.N.

Will the Minister of FINANCE be pleased to state:

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(a) the details of reduction in rate of customs duty effected on each item of edible oils during last three years; `v

(b) whether the price of palm oil/palmolein is being increased by producers after such cut in customs duty:

(c) if so, details thereof;

(d) whether representations have been received from farmers including coconut growers in this connection;

(e) if so, the details thereof and the response thereto; and

(f) the steps taken by the Government for safeguarding the interests of farmersin this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI S.S. PALANIMANICKAM)

(a): Details of reduction in customs duty on commodities are at Annexure.

(b) &(c): Since the prices charged by producers depend on a variety of factors such as the demand-supply balance, availability of substitutes and their prices etc., it is not possible to correlate price with changes in customs duty in the importing country.

(d) &(e): Representations have been received from the Government of Kerala and others to withdraw cut in custom duty as it affects various farmers including coconut growers. The references were examined taking into account all relevant factors primarily, the substantial increase in international prices and its negative impact on prices of edible oils. It was in order to maintain moderate domestic prices of edible oils that Government reduced customs duties on palm group of oils. (f) : In order to protect interests of farmers, export restrictions have been lifted in respect of coconut oil (through Cochin port) alongwith certain oils produced from minor forest origin w.e.f. 1.4,2008.